

Opportunity: Only provider of complete logistical solutions in Slovenia.

Organisation: Joint stock company

Investment: 66.55% of company is for sale and represented by The Renaissance Consulting Group, Inc. (RCG). A further 32.76% is owned by four other large shareholders and is likely available for sale. Owner represented by RCG is willing to gather further shares on behalf of buyer.

Product Range: Company offers warehousing, distribution, logistics, freight forwarding services, and has one of only two duty free zone licenses in Slovenia.

- Combined 115,000 square meters of warehouses and land.
- 70,000 square meters of total warehousing space, capacities are fully leased
- 6,000 square meters of free trade zone space
- 3,600 square meters of space available for “dangerous materials”
- 1,000 square meters of cold storage space with +5 to –30 degrees C capacity
- Service over 300 trucks per day for freight forwarding and customs

Sales: Sales were 1.6 billion Slovenia Tolars (7.7 million Euro) in 2000. Over 40% of sales are from warehousing activities, over 20% from wholesaling a wide range of beverages from various producers, over 20% from freight forwarding services, and 12% from other services. There is a shortage of contract warehousing space available in Slovenia presently.

Buyer Strategies: There are several ways a buyer could take advantage of this investment opportunity. Access is provided to the former Yugoslav markets which have significant potential for growth. High depreciation from buildings and lenient Slovenian Accounting Standards means enough cash flows from depreciation allow for all of net income to be paid out as dividends. The company has no long term financial liabilities and only about 50,000 Euro of short term financial liabilities, which means a significant level of debt could be used in the acquisition.

Expansion Program: There are several expansion programs on which the company is currently focusing. It would like to build a new building on its main premises for additional warehousing space. It also wants to build a small hotel and restaurant for overnight truckers.

For several years, the company was a wholesaler of electric material. It has recently cancelled this project and now is a wholesaler of a wide range of alcoholic and non-alcoholic products for several Slovenian beverage producers due to the higher margins in this business.

Together with two other Slovenian companies, the company is trying to start a business shipping containers from the port of Rijeka, Croatia to the rest of Europe. They are in the process of ensuring contracts will be filled for the planned scale of



business.

The company is also aggressively focusing on expanding its transport engineering services to compensate for the potential loss of freight forwarding and customs business due to Slovenia's acceptance into the EU.

Strategy: The company competes by offering a full range of logistics services to its clients. The company prides itself on its quality and speed of service and customer satisfaction, which is evidenced by its long term relationship with several clients.

Product Registration and Patents: Company has attained ISO 9001 certification.

Opportunities: Location provides excellent access between Western, Eastern and Southern Europe on major highways and rail routes and a local airport.

Financial Data:	1996	1997	1998	1999	2000
Sales	5,482	6,279	6,790	6,765	7,699
EBITDA	828	883	870	822	1,159
Depreciation	749	803	648	625	811
Net Income	120	72	267	285	279
Fixed Assets	14,002	16,267	16,968	18,111	19,578
Total Long Term Assets	14,312	16,520	17,218	18,432	19,894
Inventories	228	207	181	157	155
Accounts Receivable	1,623	1,784	1,955	2,877	2,795
Cash and Equivalents	428	1,020	1,328	561	334
Total Short Term Assets	2,297	3,026	3,479	3,628	3,320
Total Assets	16,609	19,546	20,697	22,060	23,214
Equity	15,332	18,351	19,379	20,089	20,325
Long Term Debt	0	0	0	0	0
Short Term Operating Debt	1,214	1,133	1,245	1,920	2,381
Short Term Financial Debt	0	16	12	15	468
Total Liabilities	16,609	19,546	20,697	22,060	23,214

**financial information is presented in Slovenian Accounting Standards*

**data is in Euro thousands, but is not fully representative of the company's activity based on the declining SIT/Euro exchange rate*

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